

In November 2005, Mayor Seng and students from
Lincoln Christian School officially opened the improved
84th Street. The 10-mile project extended and improved the
City's water delivery system in east Lincoln and created a
new four-lane, north-south arterial street connecting
Nebraska Highways 2 and 6.



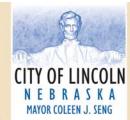
New businesses are under construction to revitalize the formerly blighted area of 48th and "O" streets. The community's investment in this central Lincoln location includes the widening of "O" Street to six lanes from 45th to 52nd; improvements on 48th from "M" to "R"; and installing new water mains. Both "O" and 48th streets are scheduled to be open to traffic in late fall 2006.



Antelope Valley Project in background photo.)

The 39-acre Fleming Fields complex near 33rd and Leighton (above) is meeting the City's need for more recreation facilities. Much of the first phase of the flood control channel is completed. By the end of this year, traffic will be traveling on the north, south and west legs of the elevated roadway near the Devaney Center.

# CITY OF LINCOLN ANNUAL OPERATING BUDGET





**Dear Citizens of Lincoln,** 

Nearly a quarter million people choose to call Lincoln home. Their choice makes Lincoln a vibrant and growing community. We must make choices today that will enhance Lincoln's stature as a community of growth and opportunity.

As Mayor, I believe we can be all we aspire to be and more. We are successful. Lincoln is growing and thriving. Our choices are paying dividends.

In many ways, Lincoln is the envy of cities around the country. There are more jobs in Lincoln than there were last year. Lincoln has been nationally recognized as one of the best places for personal careers and startup businesses. The tax base continues to grow with new developments. The City has grown by 2,217 acres or about 3.5 square miles over the past year. Meanwhile, downtown and our core neighborhoods are attracting new investors. Lincoln is a community on the move.

I am proud that we have made positive choices. As we look to the future, I remain committed to creating prosperity and creating a climate that fosters investment. That's why this budget contributes to growth and builds on our momentum. We cannot back away from progress.

My proposed budget reflects millions of dollars in cuts for next year. But Lincoln families don't stop striving for a better tomorrow when times are tough. The City must keep moving ahead as well. We must build and improve infrastructure because it brings new jobs. We have to pay for police and fire protection. We have to provide the popular, family-oriented services that attract families and businesses. We have to choose to do it even when it seems difficult.

As Mayor, I choose to keep Lincoln confident, strong and growing. We need a City budget that invests in our future. We have to maintain the programs and services that make Lincoln attractive to new employers and the new opportunities they bring.

Choose a Lincoln that strives for excellence, moves forward with confidence, and creates a future as grand as our past. Don't be afraid of the risk; accept the challenge because we can succeed.

Coleen J. Seng, Mayor of Lincoln

Monday, Aug. 7

The City Council holds a public hearing on the proposed budget at 4:30 p.m.

Wednesday, Aug. 9

The City Council votes on changes to the Mayor's recommended budget at 9 a.m.

Monday, Aug. 21

The City Council adopts the budget at 1:30 p.m.

lincoln.ne.gov

These meetings are in the City Council Chambers, first floor of the County-City Building, 555 South 10th Street.

The City Council will hold a public hearing and adopt the final tax rate prior to October 15.

Photo courtesy of Prange Aerial Photography

# LINCOLN CITY GOVERNMENT - EFFICIENT AND EFFECTIVE VALUE FOR THE TAX DOLLAR

Lincoln is one of about 40 cities in the nation to have the highest ratings from the two major bond rating agencies – Moody's and Standard and Poor's. The triple-A bond ratings help Lincoln borrow at the lowest possible interest rate. One reason for the City's high rating is the City's policy for maintaining a General Fund reserve balance. The City follows a formal policy of maintaining a General Fund reserve of at least 15 percent over the five-year forecast.

Lincoln continues to be one of the safest cities in the nation while maintaining a relatively small police force. The Lincoln Police Department has 134 officers per 100,000 residents, the lowest ratio of 16 cities in Nebraska and surrounding states. Topeka (Kansas), Springfield (Missouri) and Scottsbluff have more than 200 officers per 100,000 residents. Des Moines (Iowa), Omaha, Colorado Springs (Colorado) and Wichita (Kansas) have 180 to 190 officers per 100,000 residents.

The Lincoln Police Department spent less money on overtime in 2005-06 than it did more than a decade earlier, in 1994-95. Between 1980 and 2006, LPD added 111 officers, but has 10 fewer managers.

From 2004 through 2007, federal funds paid for about \$400,000 of training for firefighters because the Urban Search and Rescue (USAR) team is based at Lincoln Fire and Rescue (LFR). The USAR training helps reduce firefighter training costs for local taxpayers.

Due to ongoing training, LFR's maintenance division is able to hold repair costs down to about 30 to 40 percent of the hourly rate paid in the private sector.

The City-County Planning Department is serving a City that has grown 40 percent over the past 20 years with 22 percent fewer employees. The Planning Department has focused its efforts on changes that have shortened the development review process. For example, approving a preliminary plat, which used to require a minimum of 76 days, can now be done in as few as 27 days.

In the past five years, Urban Development has used \$17 million in federal CDBG and HOME funds to help generate more than \$61 million in private investment.

Over the past 15 years, the amount of City park land has increased 64 percent, and the number of playgrounds has increased 33 percent. Over that same period, the number of employees in the Lincoln Parks and Recreation Department has decreased. In 1991-92, Parks had one maintenance person for 58 acres of parkland. In the proposed budget, the ratio will be one person for 100 acres.

Nationally, the average annual cost of a local park system is \$55 per resident. The cost in Lincoln is about 25 percent below that average. While the National Arbor Day Foundation reports that Tree City USA communities spend about \$7 per capita to manage public trees, Lincoln spends about 32 percent less than the national average.

The Public Works and Utilities Department maintains about 2,800 lane miles of City streets. Through traffic safety improvements, the City has seen fewer injury crashes in the City. Despite an increase in population and vehicle miles traveled on City streets, the number of injury crashes in Lincoln has decreased 22 percent from 2,268 in 1996 to 1,764 in 2005.

Over the last 15 years, the number of water users has increased 18 percent; treatment plant capacity has increased 83 percent; three pumping stations and four reservoirs have been added; and the miles of pipeline have increased 29 percent. Over the same period, the number of employees in the Lincoln Water System increased only 11 percent, less than the rate of growth.

Over the last 15 years, the number of employees in the Lincoln Wastewater System decreased 13 percent, but the miles of pipeline have increased 40 percent.

A national survey of 202 water and wastewater systems shows that the median number of accounts per employee is 467. The Lincoln Water System is much more efficient, handling 665 accounts per employee. Similarly, for wastewater systems, the median number of accounts handled per employee is 626, and Lincoln's rate is a much more efficient 753. For both operations, 75 percent of the communities had more employees per customer.

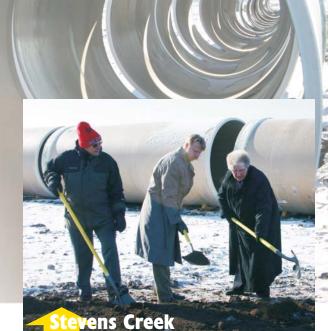
The Lincoln-Lancaster County Health Department, which coordinates the County's tobacco prevention project, reports that about 4,000 adults in the community discontinued the use of tobacco between 2004 and 2005.

The Health Department's Animal Control Program has one of the highest rates of animal licensing per capita in the nation. The rates are 23 to 72 percent higher than similar communities in the Midwest.

The Health Department collects and disposes of an average of 77,000 pounds of hazardous waste from households every year, reducing hazards in the home and increasing the life of the landfill and saving money.

The City Ombudsman handles an average of 300 calls for information and referral every month. In 2005, the Ombudsman conducted more than 720 investigations in response to constituent concerns.

Last fiscal year, Lincoln City Libraries had 1.6 million visitors – that's 6.4 visits per capita, compared to 4.6 nationally. Lincoln's annual circulation per capita is 62 percent higher than the national average. The number of items circulated per full-time employee has increased from 14,310 in 1984-85 to 24,774 in 2004-05.



Mayor Coleen J. Seng broke ground in December 2005 for the Stevens Creek Sanitary Trunk Sewer System, a project that begins the development of the 52-square mile Stevens Creek Basin. The area is about two-thirds the size of Lincoln and will provide the largest development opportunity in the City's history. Also pictured are, from the left, Gary Brandt, City Utilities Coordinator, and Karl Fredrickson, Director of the City Public Works and Utilities Department.

# PROPERTY TAX AND SALES TAX FAC

The City property tax rate has been reduced regularly since 1994. Over the last 12 years, the City property tax rate has dropped 42 percent. The only increases in the tax rate have been those bonds approved by voters.

- The proposed budget maintains the existing tax rate of 30.1 cents per \$100 of assessed valuation for the fiscal year 2006-2007 budget. The final tax rate will be determined by the final valuations set by the County Assessor and any changes to the budget made by the City Council. The proposed tax rate remains 1.3 cents below the 2002 level.
- City government is about 14.5 percent of the total property tax statement. By comparison, the Lincoln Public Schools share is 63.3 percent. Each property owner's situation will be different. An individual's total property tax bill will be determined by the budget actions of the other governmental entities.
- Due to a County-wide revaluation of property, the City is estimating an average of a 10.75 percent increase in the tax base, with an additional 3.25 provided by growth and annexation.

- Due to the revaluation, a property previously valued at \$125,000 would now be valued at \$138,438 if the valuation increased by 10.75 percent.
- The City tax-funded budget will rely more on property tax revenue to fund essential public safety and popular family City services for two reasons: lagging sales tax revenue and a change in State Law that has reduced local sales tax revenue by about \$1 million. Sales tax revenue currently funds about 42 percent of the City tax-funded budget, and property tax revenue funds less than 28 percent. Currently, property tax revenue does not even cover the annual cost of Police, Fire and 911 services in Lincoln.

# STAFFING CHANGES in full-time equivalents (FTEs) **TAX-FUNDED POSITIONS** Classified positions eliminated.....-3.32 -1.00 Office Specialist, City Council -0.75 Food Production Manager, Aging Div. -1.00 Librarian -0.20 GIS Analyst, Urban Development -0.10 Manager, Urban Development -0.27 Records Technician, Police Classified positions added.....+2.21 0.33 Internal Auditor 0.75 Specialist, Aging Div. 0.13 Senior Office Assistant, Aging Div. 1.00 GIS Manager, Planning Unclassified part-time positions eliminated..... -4.96 Seasonal workers, Parks -0.70 Entry-level worker, Aging **NON TAX-FUNDED POSITIONS** Classified positions eliminated..... -3.31 -0.75 Library Assistant, Polley Trust -0.24 Assistant Golf Course Supt. -1.32 Laborers, golf courses -1.00 Equipment Operators, golf courses Unclassified positions eliminated.....-0.65 -0.40 Para-professionals, Citizen Info. -0.25 Entry-level worker, Library Trust Unclassified positions added.....+2.75 2.75 Para-professional, golf courses All other changes.....-0.31 **TOTAL STAFFING CHANGES:** -8.29 Staffing changes save a net amount estimated at \$225,552 in total costs of which \$162,982 are City tax dollars. Does not reflect Council's proposed changes

(back page).

Lincoln Police Officers keep motorists and pedestrians safe on Husker game days.

# **BALANCING THE BUDGET**

# **Proposed savings**

- Raise employee co-pays and deductibles and then self-fund the City employee health plan rather than fully insuring: \$1.275 million.
- Eliminate expected funding requested for Antelope Valley parks and community revitalization: \$675,000.
- Cut 1 percent from projected employee salary costs: \$640,000.
- Reduce schools, conferences, education and training budgets to what is required to maintain licenses and certifications: \$257,288.
- Reduce sidewalk repair and maintenance: \$178,100.
- Eliminate funding requested for storm drainage improvements and repairs: \$103,000.
- Delay filling Deputy Police Chief position: \$100,000.
- Reduce Police overtime: \$75,338.
- Reduce Public Works overtime and traffic supplies: \$67,140.
- Reduce funding in the Planning Department for outside consultants and eliminate two intern positions:
   \$62,075
- Eliminate funding requested for revitalizing older business districts: \$50,000.
- Reduce client supportive services in Aging: \$26,762.
- Reduce funding for repairs of Pershing Center: \$43,400.
- Reduce requested downtown street tree replacement: \$10,000.
- Reduce trimming around park and trail trees, shrubs and buildings by half; cover new park land and trail
  miles with existing maintenance staff; convert 69 additional acres of park land to unmowed status;
  remove interior trash barrels in parks not associated with a facility; and reduce service and hours that
  some park restrooms are open to cut maintenance costs: \$100,000.
- Reduce hours of Polley Music Library.
- Numerous line items in Department budgets were reduced to lower costs.

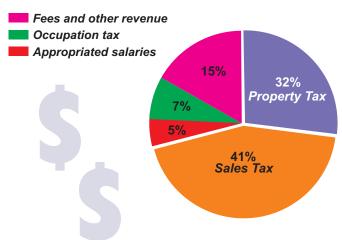
# Proposed revenue increases

- Additional transit funding from the State will be used to avoid service cuts, enhance HandiVan dispatching, fund a comprehensive review of the system and offset some of the higher fuel costs: \$420,000.
- Forfeitures from the civilian pension plan: \$252,089.
- Parks and Recreation fee increases and expanded recreation programming: \$119,786
- Increased Health Department fees: \$25,150.

## **Proposed spending additions**

- Lease expenses and operating costs for the new Northeast Team Police Station: \$261,204.
- Increase funding to the Police and Fire pension plan to bring the annual contribution up to the "normal cost" level: \$193,447.
- Replace the Arnold Heights Fire Station with a leased facility: \$36,943 (partial-year cost).
- Additional operating costs for the new Health Department building: \$125,000.
- Add to durable street markings: \$125,000.

# PROJECTED REVENUES FOR THE CITY OF LINCOLN 2006-2007



# 2006-2007 BUDGET SUMMARY: (TAX FUNDS ONLY) Where the money comes from:

Sales tax - 41%, \$54,219,949 Property tax - 32%, \$41,935,253 Occupation tax - 7%, \$9,634,727 Appropriated balances - 5%, \$5,488,191

Fees/other revenue - 15%, \$20,376,237

TOTAL REVENUES: \$131,654,357

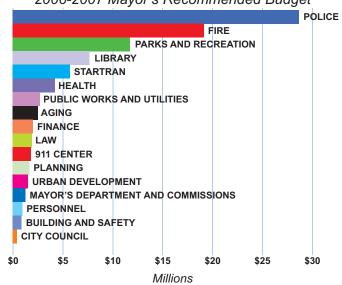
## Where the money goes:

Police - 22%, \$28,992,736 Fire - 15%, \$19,107,944 Transfers - 13%, \$17,709,350 Parks and Rec - 9%, \$11,526,061 Libraries - 6%, \$7,562,602 Debt service - 5%, \$6,157,500 CIP - 1%, \$677,000 Other departments - 29.5%, \$39,921,164 TOTAL EXPENDITURES: \$131,654,357

0.07 percent increase over 2005-2006 budget of \$131,564,552.

# TAX DOLLARS BY DEPARTMENT





# **CITY COUNCIL'S CHANGES**

# **TO MAYOR'S RECOMMENDED BUDGET**

# Reductions (proposed by Council):

- Cut publications specialist in Health Department: \$39,845 total, \$25,102 from General Fund.
- Reduce expenditures from Health Department to Information Services: \$92,553 total, \$53,308 from General Fund.
- · Restructure public health nurse system in Health Department: \$70,000 total, \$44,100 from General Fund.
- Cut one animal control officer and a dispatcher to eliminate weekend service: \$73,058.
- · Cut in supplies from Lincoln Area Agency on Aging: \$11,458.
- · Cut one office manager in Human Rights and Affirmative Action: \$49,545, \$43,124 from General Fund.
- Cut one Planning position: \$58,803 total, \$47,042 from General Fund.
- Cut in Police garage services: \$50,000.
- Cut in computers for Emergency Communications/911: \$15,000 total, \$14,400 from General Fund.
- Cut in expenses in Emergency Communications/911: \$50,000 total, \$48,000 from General Fund.
- Cut part-time graphic designer in Library: \$17,545 total, \$15,819 from General Fund.
- · Cut public information specialist in Fire and Rescue (previously grant-funded): \$60,318.
- Reduce Watershed Management internship in Public Works: \$4,650.
- Cut associate engineering specialist position in Public Works: \$57,541.
- Cut City traffic engineer position in Public Works:
- Cut in Public Works fleet purchases: \$170,000.
- Cut in miscellaneous, maintenance and repairs in Public Works: \$50,000.
- Cut community development program specialist in Urban Development (previously grant-funded): \$73,539 total, \$70,000 from General Fund.
- · Cut economic development specialist in Urban Development: \$59,844 from Community Development Block Grant (CDBG), \$25,649 from General Fund. (Use CDBG to add about \$30,000 to operating loan program and about \$30,000 to job creation loan fund.)

# • Reduce general expense: \$50,000 from miscellaneous contractual, \$30,000 from data processing equipment, \$20,000 from miscellaneous other services and charges.

- Reduce Diversity Fellowship program: \$15,000.
- Cut in City Council printing expenses: \$1,000.

# Reductions/changes with no General Fund impact (proposed by Council):

- Reduce printing and copying in Building and Safety: \$47,000.
- · Move \$175,000 for sidewalk repair to contingency fund and identify \$750,000 in other funding for sidewalk repair.
- Eliminate new equipment purchases in Public Works (snow removal, streets and highways): \$199,800.
- Vacancy/turnover savings in Public Works (engineering, landfill, water, wastewater): \$150,528.
- Reduce increase in durable street markings in Public Works: \$125,000.
- Reduce global positioning systems equipment in Public Works: \$100.093.
- · Reduce engineering overtime in Public Works: \$14,000.
- Move \$150,000 from Urban Development Capital Improvement Program (CIP) revitalization catalyst projects to Parks CIP playground replacement.
- Move transportation planner from Public Works Traffic Engineering to Planning Department.

### Reductions (proposed by Mayor):

- Savings from changes to the employee health insurance plan: \$76,698.
- · Adjust City share of Corrections to County estimates of costs: \$50,000.
- Adjust Joint Budget Committee (JBC) agency budgets to reflect JBC recommendations: \$11,012.
- · Adjust joint City-County agency budgets to reflect actual budget requests by County agencies: \$5,882.

# Reductions/changes with no General Fund impact (proposed by Mayor):

- Add other financing revenue to 9th Street/10th Street/Van Dorn trail connector improvements in Parks: \$200,000.
- Savings from final health insurance rates: \$142,174.
- Add impact fee revenue to Cavett connector trail project in Parks: \$20,000.

### Additions (proposed by Council):

Add to contingency fund for economic development: \$245,000.

# Reductions in revenue (proposed by Council):

Resolution of intent to reduce by 1 percent the proposed 7-percent increase in water rates and the 9percent increase in wastewater rates and reduce expenditures accordingly.



COLN CITY COUNCII

Front row from left: Dan Marvin, Vice Chair, At Large; Patte Newman, Chair, Northeast District; Jonathan Cook, Southwest District.

Back row from left: Robin Eschliman, At Large; Ken Svoboda, At Large; Jon Camp, Southeast District; Annette McRoy, Northwest District.

555 S. 10th Street, Room 111, Lincoln, NE 68508 Phone: (402) 441-7515, Fax: (402) 441-6533

e-mail: council@lincoln.ne.gov

# MAYOR COLEEN J. SENG

555 S. 10th Street, Room 208 Lincoln, NE 68508 Phone: (402) 441-7511 Fax: (402) 441-7120

e-mail: mayor@lincoln.ne.gov Economic Development - Darl Naumann Ombudsman - Lin Quenzer

# DEPARTMENTS/DIVISIONS

### **Affirmative Action**

Director Joyce Welsch - 441-3871

**Lincoln Area Agency on Aging** Director June Pederson - 441-7070

**Building and Safety** 

Director Mike Merwick - 441-7521

**Citizen Information Center** Manager Diane Gonzolas - 441-7375

**Finance** 

Director Don Herz - 441-7411

Fire and Rescue 441-7363

Health

Director Bruce Dart - 441-8000

**Human Rights** 

Director Larry Williams - 441-7624

City Attorney Dana Roper - 441-7281

**Library** Director Carol Connor - 441-8500

**Parks and Recreation** 

Director Lynn Johnson - 441-7847

Personnel Director Don Taute - 441-7597

**Planning** Director Marvin Krout - 441-7491

Police Chief Tom Casady - 441-7204

**Public Works and Utilities** 

Director Karl Fredrickson - 441-7548

**Urban Development** 

Director Marc Wullschleger - 441-7606

**Women's Commission** Director Bonnie Coffey - 441-7716



The City of Lincoln wants to hear from you. Do you find this budget publication helpful and informative? From July 29 through August 31, consider calling **441-0731** to leave a message about this publication or your comments on the City budget. You also can express your opinion by sending an e-mail to mayor@lincoln.ne.gov or by contacting the Mayor, City Council or City Departments at the phone numbers and addresses listed on this page.

# VISIT lincoln.ne.gov

More than 18,000 individuals use InterLinc, the City-County Web site, each day. In the fall of 2005, the City introduced ACTION (Acting with Citizens to Improve our Neighborhoods), a new interactive system that allows citizens to request nonemergency services or express concerns online. The City Web site also provides online animal license renewals; the payment of parking tickets, property taxes, pool passes and water/sewer bills; criminal history checks; and reserved event parking. (Service fees are charged for some services.) The County-City Building at 555 South 10th Street is equipped with free wireless connectivity to the Internet.

The government cable access channel, 5 CITY-TV, also is available on InterLinc, with live video-streaming of public meetings. Many programs also are available through video-on-demand.